AFTON FOOD GROUP

ANNUAL REPORT 2001

CONTENTS

AFTON FOOD GROUP LTD. ANNUAL MEETING

June 26, 2002 2:00 pm

Hockey Hall of Fame

PRESIDENT'S MESSAGE

DEAR FELLOW SHAREHOLDERS

2001 was a watershed year for Afton.

Following the completion of the Robin's® acquisition and re-organizational adjustments, initial head office consolidation and other overhead savings were captured and completed in accordance with the Company's strategic planning initiatives.

In addition, our management and operations personnel commenced work on the design and operational changes necessary to implement the launch of twinning our 241 Pizza® brand with that of Robin's®. The Company's focus, in implementing this "twin concept", is to be in a pre-emptive position, especially in smaller urban markets, as well as increase our speed of penetration into new markets. Results of our twinning program, have, to date, been good. Additionally, a number of other operational initiatives were launched at the store level to encourage repeat business and customer loyalty including:

- The strengthening of our coffee program and the streamlining of our lunch menu at Robin's®;
- The implementation of a non-smoking program at Robin's®
- The introduction of new menu items at 241 Pizza® as well as the re-positioning and strengthening of our core products at the consumer level, i.e. "2 great pizza's for 1 great price".

In 2001, the Company opened the restaurant industry's first national and bilingual call centre, located in North Bay, Ontario. The call centre, while initially servicing our 241 Pizza® brand, now positions the Company to be more competitive and at the same time enhances our opportunity for growth within the industry. This new system, which is now almost fully implemented, is also providing the Company with critical market information, both on a regional and national level. Management is now enabled to fine tune our menu content, pricing policies and or advertising strategies in reaction to today's changing market conditions.

As these initiatives were unfolding the economic slowdown continued and conditions in the marketplace became even more constricted. Due to limitations in small business lending programs, the Company's expected development of twins and new store development was significantly slower than anticipated.

In order to assess both the opportunities and challenges, management, in conjunction with the Board, undertook an extensive strategic business planning process, which was completed by mid-year. It became apparent that new strategies had to be put forward to capitalize on and capture the Company's twinning and new store growth initiatives. As a result, alternative financing sources have been arranged to provide additional financing options for new franchises and twin development. These programs will allow the Company to accelerate and indirectly fund the substantial number of growth opportunities with our existing brands. Additionally, non-traditional locations and new services are being researched with a view to extending points of sale and customer brand awareness in our strong markets.

However, as our business plan identified, the turmoil in the capital and equity markets will not disappear in the near term. With this in mind, the Company is reviewing other methods to unlock shareholder value and re-capitalize the Company, including the possibility of converting to an Income Trust. This would effectively result in the payout of a substantial portion of the company's annual income to its shareholders ("trust unit holders"). The company would then trade on a yield basis, rather than a multiple of earnings per share.

Subsequent to year-end, the Company announced its intention to merge with Pizza Delight Corporation. This decision was completely compatible with, and part of, the Company's overall growth strategy. Subsequent to the merger, the Company would, in essence, be in the top five of the Quick Service Restaurant market in Canada with approximately $400 Million in system sales. The Company would have increased management depth and volume synergies, and we believe, offer substantial opportunities for growth for all of its stakeholders.

While the industry has been in a state of change and new challenges have, and are continually being identified, the Company believes that there are superb opportunities available to its shareholders as we move into 2002.

On behalf of the Board and the Afton team, we extend our thanks for your continued support.

Yours truly,

Robert Macdonald
President/CEO

MANAGEMENT DISCUSSION & ANALYSIS

OF THE FINANCIAL RESULTS OF OPERATIONS

for the year ended December 31, 2001

The following discussion of Afton Food Group Ltd.'s ("Afton") results of operations and consolidated financial position for the year ended December 31, 2001 should be read in conjunction with the audited financial statements and the notes attached thereto.

RESULTS OF OPERATIONS:

Afton had a record year with system sales in excess of $176 million, which represents an increase of 4.9% over the $168 million recorded in 2000. Same store sales have remained constant with 2000 levels. At year-end, the Company had in excess of 400 locations operating under Afton's various brands (241 Pizza®, Robin's®, Donut Delite Café, Ruffage® and Mrs. Powell's®). The Company reported EBITDA of $7.3 million, which is a decrease of 7% from 2000, however, net earnings rose by 31% to $2.8 million. The increase is due to a recovery of taxes, which is somewhat offset by the one-time charge related to the closing of the former Toronto call centre, the rationalization of the Company's personnel and offices and in accordance with GAAP, the write down of the franchise agreements and trademarks. Basic earnings per share remained at $0.28 for the year while fully diluted earnings per share increased by 33% over 2000 to $0.28.

REVENUE:

Overall revenue increased by 4.8% over the same period last year to in excess of $30 million. Franchise revenue increased to in excess of $20 million, which is a 2% increase from 2000. Retail sales generated by our corporate stores increased to $10.5 million, which is an increase of 11% over 2000. At year-end, the company operated 29 corporate stores.

COST OF SALES:

Cost of sales increased by $2.6 million as a result of the inclusion of the corporate stores and the lease costs associated with the Robin's® franchise locations for a full year in 2001. The Company's philosophy is to operate a minimal number of corporate stores. As part of its Strategic Plan it plans to sell a number of these corporate stores in 2002.

EXPENSES:

Selling, general and administration costs decreased by 10% as compared to last year to $5 million. The decrease is a result of the synergies realized from the initial rationalization of personnel and facilities subsequent to the Robin's® transaction.

Other Restructuring Costs:

These are one time costs from the amalgamation of the Company's offices and the closing of the Company's former Toronto call centre which amounted to $372 thousand for the year.

Write Down of Franchise Agreements and Trademarks:

On a consolidated basis the Company's franchise agreements and trademarks are not impaired based on an analysis of the present value of the future cash flows. However the new GAAP standards require the Company to analyze these amounts on a brand-by-brand basis. As a result, the Company has written down the value of the franchise agreements and trademarks relating to its three smaller brands by $2.3 million.

Interest and amortization:

The interest and amortization costs for 2001 have increased because of the acquisition of Robin's® in 2000. The financing agreement with the Company's senior lender also required the Company to enter into a long-term interest rate hedge for a portion of the financing at a rate of 6.69%. This has prevented the Company from fully capturing benefits from the recent decline in interest rates. Had interest rates increased, this hedge would have provided significant benefits to the Company. The Company felt it prudent not to speculate on future interest rates.

Liquidity and Capital Resources:

Cash and cash equivalents:

The Company's cash position decreased to $1.16 million from $1.23 million at December 31, 2001. Cash provided from operations in the twelve-month period of $4 million was used for investing activities ($3.3 million) and financing activities ($754 thousand).

Accounts receivable:

The Company's accounts receivable balance increased to $2.9 million from $2.1 million at December 31, 2001. This increase reflects the new receivables generated from the new national call centre.

Other Assets:

Other assets increased by a net amount of $2 million over the previous year-end balance. The Company has capitalized the start up costs of the new national call centre until such time as most of the stores are online. The revenue currently being generated by the national call centre has been offset against these capitalized costs.

Franchise Agreements & Trademarks:

On a consolidated basis the Company's franchise agreements and trademarks are not impaired based on an analysis of the present value of the future cash flows. However the new GAAP standards require the Company to analyze these amounts on a brand-by-brand basis. As stated earlier, the Company has written down the value of the franchise agreements and trademarks relating to its three smaller brands by $2.3 million.

Deferred Royalty Funding:

The balance of the head royalty ($599,767) has been paid during 2001.

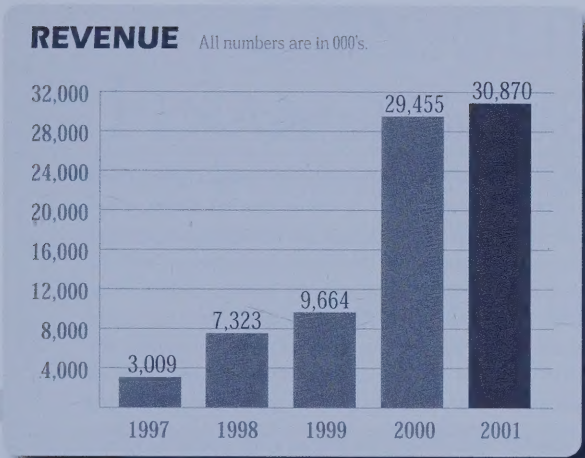
Financial Condition:

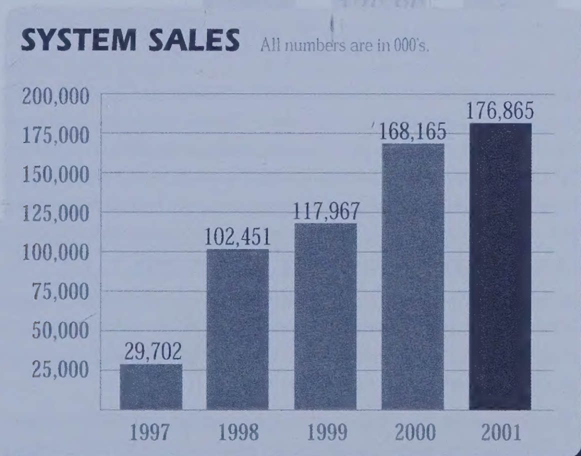
On December 21, 2001, Afton completed a $1.5 million private placement financing (the "McCarvill Financing") of 15% unsecured, subordinated debentures, which mature on January 3, 2003 with interest accrued and payable at maturity. In conjunction with the McCarvill Financing, Afton retained McCarvill to assist Afton in investigating the possibility of reorganizing Afton into an income trust. The debentures are convertible into trust units in the event that such reorganization is completed, on the basis of one trust unit for every $0.80 principal amount of McCarvill Debentures held. See notes 7, 8 and 10 of the audited financial statements for more information concerning this transaction.

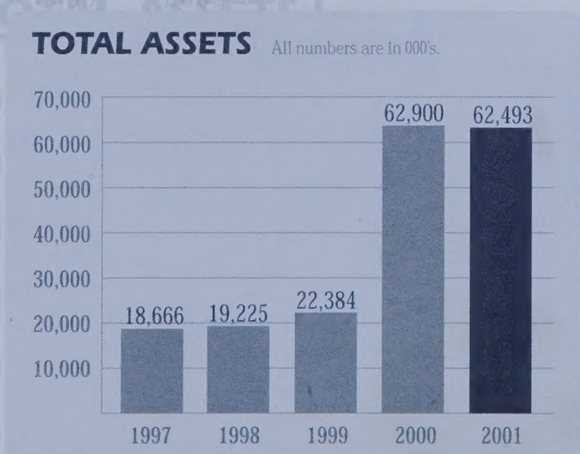
Effective as of December 21, 2001, in connection with obtaining a required consent to the McCarvill Financing, Afton entered into an agreement, with HSBC (on behalf of itself and the HSBC Partnerships) and PRIVEQ (the "Investors") pursuant to which Afton and the Investors agreed subject to shareholder and regulatory approval, to the following changes to their portion of the debenture. The terms of the $4.8 million debentures held by the Investors were amended such that the principal amount of such debentures is convertible, at the option of the Investors, in whole or in part, into an aggregate of 4 million Afton Common Shares at a conversion price of $1.20 per share. In addition, if Afton is reorganized into an income trust and completes an offering of income trust units no later than the earlier of January 3, 2004 and one year following a change of control of Afton, the Investors will have the additional right to convert, in whole or in part, at the time of such reorganization, up to $512,500 principal amount of the Debentures in the aggregate, into trust units at a conversion price of $0.91 per trust unit. In addition, the previous warrants, which entitled the Investors to purchase $4.8 million worth of common shares at a price between $1.50 and $3.00 depending on the Company's financial performance, have been cancelled. See notes 7 and 10 of the audited financial statements for more information concerning this transaction.

The Investors converted by way of reinvestment in Afton an advance of $375 thousand made by the Investors to the Corporation on October 2, 2001 into 15% unsecured subordinated convertible debentures on substantially the same terms as, and ranking pari passu with, the McCarvill Debentures. See notes 7 and3 10 of the audited financial statements for more information concerning this transaction.

The requisite shareholder approval for the Investor transactions was received at a special meeting of Afton's shareholders held on February 15, 2002 and the Investors' Transactions were completed on April 26, 2002.


REVENUE
All numbers are in 000's.
32,000
28,000
24,000
20,000
16,000
12,000
8,000
4,000
3,009
7,323
9,664
29,455
30,870
1997
1998
1999
2000
2001


SYSTEM SALES
All numbers are in 000's.
200,000
175,000
150,000
125,000
100,000
75,000
50,000
25,000
29,702
102,451
117,967
168,165
176,865
1997
1998
1999
2000
2001


TOTAL ASSETS
All numbers are in 000's.
70,000
60,000
50,000
40,000
30,000
20,000
10,000
18,666
19,225
22,384
62,900
62,493
1997
1998
1999
2000
2001

Risk and Uncertainties:

Competition in the food franchising industry is not different than most other industries. Afton and its competitors are primarily seeking a share of the consumer's dollar as well as new franchisees to fuel organic growth. Because of the strategy and structure of Afton (i.e. multiple branding) management believes the Company is well positioned to not only compete but flourish in this industry. With the acquisition of 241 Pizza® the Company established a leading position in the Toronto market and is expanding nationally with a recognized brand. The twinning concept allows us to offer a menu that encompasses all mealtime slots and enhances franchising potential in small markets. In 2001, the Company successfully twinned six Robin's® locations with its 241 Pizza® brand and plans to aggressively increase the number of twinned locations. Afton is continuing its development and promotional programs for its brands and expects to continue to focus its growth plans domestically in the QSR Market.

Future Outlook:

2001 was another profitable year for Afton. The company's acquisition of Robin's® on March 31, 2000 has given Afton a platform to twin with its 241 Pizza® brand. As Afton aggressively begins the Robin's®/241 Pizza® twinning process, we expect to see a continued growth in revenue and net income. In addition to twinning, the Company is actively selling new domestic and seeking new master franchises. While Robin's® operates coast to coast it is predominantly located in Northern Ontario and Western Canada which means there will be little or no overlap with our existing 241 Pizza® franchisees and this initiative is expected to enhance the 241 Pizza® brand nationally.

Management is committed to the growth of the Company through the expansion of our existing chains and through acquisitions. The strategy that has been employed to grow Afton to 400 locations operating at the end of 2001 will remain unchanged, with a view to enhancing the Company's results, growing earnings per share and improving shareholder value.

On April 25, 2002, the Company announced its intention to merge with Pizza Delight Corporation. The combined operations would position the merged company among the top 5 restaurant chains in Canada, with in excess of 700 locations and approximately $400 million in system sales. The Company is confident that it is taking the necessary steps to achieve its goals of growth and expansion in order to unlock and enhance shareholder value, including the possibility of re-capitalizing the Company into an Income Trust.

Approved by

Patrick Westfall

Patrick Westfall, C.A.

Chief Financial Officer

Consolidated Financial Statements

Afton Food Group Ltd.

December 31, 2001 and 2000

Auditors' Report

To the Shareholders of Afton Food Group Ltd.

We have audited the consolidated balance sheets of Afton Food Group Ltd. as at December 31, 2001 and 2000 and the consolidated statements of earnings and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Chartered Accountants

Mississauga, Canada,

April 17, 2002.

Consolidated Balance Sheets

As at December 31

	2001	2000
	$	$
ASSETS		
Current		
Cash and cash equivalents	**1,155,810**	1,233,952
Accounts receivable	**2,884,132**	2,104,012
Inventory	**358,351**	384,371
Deferred franchise costs	**1,055,924**	1,065,169
Prepaid expenses and other assets *[note 3]*	**512,277**	467,562
Income taxes recoverable	**—**	65,702
Current portion of notes and loans receivable *[note 3]*	**2,679,663**	2,398,199
Total current assets	**8,646,157**	7,718,967
Notes and loans receivable *[note 3]*	**1,617,941**	833,086
Capital assets, net *[note 4]*	**1,398,263**	1,827,703
Franchise rights and trademarks *[note 5]*	**46,736,949**	50,450,903
Other assets *[note 6]*	**4,093,399**	2,069,807
	62,492,709	62,900,466

See accompanying notes

On behalf of the Board:

R A Hunter
Director

Director

Consolidated Balance Sheets

As at December 31

	2001 $	2000 $
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Trade accounts payable and accrued liabilities	**3,345,631**	2,145,148
Income taxes payable	**511,437**	—
Unearned revenue	**327,433**	476,405
Current portion of future lease commitments	**370,862**	340,705
Current portion of long-term debt *[note 7]*	**3,203,887**	1,887,786
Total current liabilities	**7,759,250**	4,850,044
Long-term		
Deferred royalty funding *[note 8]*	**—**	599,767
Long-term debt *[note 7]*	**21,957,000**	23,282,000
Future lease commitments	**231,638**	693,729
Future tax liabilities *[note 9]*	**11,276,154**	15,300,844
Total long-term liabilities	**33,464,792**	39,876,340
Shareholders' equity		
Share capital *[note 10]*		
Common shares	**9,882,732**	7,117,732
Preferred shares	**—**	55,833
Special warrants *[note 10]*	**177,000**	2,600,000
Other paid-in capital	**468,000**	468,000
Retained earnings	**10,740,935**	7,932,517
Total shareholders' equity	**21,268,667**	18,174,082
	62,492,709	62,900,466

Consolidated Statement of Earnings and Retained Earnings

Years ended December 31

	2001 $	2000 $
REVENUE		
Franchise revenue	**20,341,274**	19,963,700
Corporate store sales	**10,528,811**	9,490,925
	30,870,085	29,454,625
Cost of sales	**18,789,122**	16,201,601
Gross profit	**12,080,963**	13,253,024
EXPENSES		
Selling, general and administration	**4,982,255**	5,537,294
Foreign exchange gain	**(163,461)**	(91,903)
	4,818,794	5,445,391
Earnings before the following	**7,262,169**	7,807,633
Other restructuring costs *[note 14]*	**372,168**	—
Interest	**2,665,615**	2,526,773
Amortization and depreciation	**2,205,082**	1,791,145
Write-down of franchise rights and trademarks *[note 5]*	**2,290,637**	—
	7,533,502	4,317,918
Earnings (loss) before income taxes	**(271,333)**	3,489,715
Provision for (recovery of) income taxes *[note 9]*	**(3,079,751)**	1,345,200
Net earnings for the year	**2,808,418**	2,144,515
Retained earnings, beginning of year	**7,932,517**	5,788,002
Retained earnings, end of year	**10,740,935**	7,932,517
Earnings per share *[note 10]*		
Basic	**0.28**	0.28
Diluted	**0.28**	0.21

See accompanying notes

Consolidated Statement of Cash Flows

Years ended December 31	2001 $	2000 $
OPERATING ACTIVITIES		
Net earnings for the year	**2,808,418**	2,144,515
Add (deduct) items not requiring cash		
Amortization and depreciation	**2,205,082**	1,791,145
Other *[note 7]*	**—**	(792,000)
Loss (gain) on sale and write-down of assets	**(100,816)**	86,864
Future income taxes	**(4,024,690)**	886,200
Write down of franchise rights and trademarks	**2,290,637**	—
	3,178,631	4,116,724
Net change in non-cash working capital balances related to operations *[note 13]*	**845,064**	(103,928)
Cash provided by operating activities	**4,023,695**	4,012,796
INVESTING ACTIVITIES		
Acquisition of Robin's Foods Inc. *[note 2]*	**—**	(19,091,431)
Acquisition of capital assets	**(180,523)**	(131,500)
Proceeds on sale of capital assets	**258,000**	499,258
Other assets	**(2,352,578)**	(1,841,066)
Increase in notes and loans receivable	**(982,326)**	(164,443)
Cash used in investing activities	**(3,257,427)**	(20,729,182)
FINANCING ACTIVITIES		
Repayment of bank indebtedness	**—**	(2,805,380)
Proceeds from long-term debt	**—**	27,035,597
Repayment of long-term debt	**(1,883,899)**	(10,099,884)
Proceeds from issuance of debentures	**1,875,000**	—
Decrease in future lease commitments	**(431,934)**	(326,111)
Amortization of deferred royalty funding	**(599,767)**	(786,257)
Issuance of common shares	**165,000**	474,100
Issuance of special warrants	**177,000**	2,600,000
Redemption of preferred shares	**(55,833)**	(167,500)
Cash provided by (used in) financing activities	**(754,433)**	15,924,565
Effect of exchange rate changes on cash	**(89,977)**	127,000
Net decrease in cash and cash equivalents during the year	**(78,142)**	(664,821)
Cash and cash equivalents, beginning of the year	**1,233,952**	1,898,773
Cash and cash equivalents, end of the year	**1,155,810**	1,233,952
Supplemental cash flow information		
Interest paid	**2,631,182**	2,247,237
Income taxes paid	**386,260**	364,135
Non-cash investing activities		
Acquisition of Robin's Foods Inc.	**—**	(750,000)
Non-cash financing activities		
Issuance of common shares for purchase of Robin's Foods Inc.	**—**	750,000

See accompanying notes

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by Afton Food Group Ltd. [the "Company"] have been summarized to facilitate review of the consolidated financial statements.

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Management believes that the estimates utilized in preparing its consolidated financial statements are reasonable and prudent; however, actual results could differ from these estimates.

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries.

Significant intercompany accounts and transactions have been eliminated.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and term deposits with remaining maturities at the date of acquisition of less than three months.

Inventory

Inventory is stated at the lower of actual cost, determined on a first-in, first-out basis, and net realizable value.

Deferred franchise costs

Deferred franchise costs are valued at the lower of cost and net realizable value and include:

[a] equipment and leasehold improvement costs related to stores in progress at year-end which are intended to be sold in the next year and will be expensed upon the sale of the related franchise;

[b] equipment and leasehold improvement costs related to renovations and new stores in progress at year-end, which will be completed in the next year and will be expensed upon the completion of the renovations and if sold or capitalized if retained as a corporate store; and

[c] costs related to stores held for resale that are being operated by the Company at year-end and are intended to be refranchised.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital assets

Capital assets are initially recorded at cost. Normal maintenance and repair expenditures are expensed in the period incurred.

Depreciation is provided on the basis and at the rates set out below. It is expected these procedures will charge operations with the total cost of the assets over their estimated useful lives. Gains or losses on disposal of individual assets are recognized in earnings in the period of disposal.

Buildings	5% declining balance
Signs	25% declining balance
Leasehold improvements	over 5 to 10 years straight-line
Furniture and equipment	8 to 30% declining balance
Automobiles	20% declining balance

Franchise rights and trademarks

Franchise rights and trademarks are recorded at cost and amortized to earnings on a straight-line basis over 40 years. On an ongoing basis, management reviews the valuation and amortization of franchise rights and trademarks, taking into consideration any events or circumstances which might have impaired the carrying value. The amount of franchise rights and trademarks impairment, if any, is measured based on undiscounted projected future cash flows.

In June 2001, the Canadian Institute of Chartered Accountants issued new recommendations with respect to Business Combinations and Goodwill and Intangible Assets, effective for fiscal years beginning on or after January 1, 2002. Under the new recommendations, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to annual impairment tests in accordance with the new recommendations. Other intangible assets will continue to be amortized over their estimated useful lives.

The Company will apply the new recommendations on accounting for intangible assets beginning in its first quarter of 2002. Application of the non-amortization provisions of the new recommendations is expected to result in a decrease in amortization of approximately $1,400,000 per year. The Company will perform the required impairment tests for the intangible assets as of January 1, 2002 by the end of the first quarter.

Other assets

Costs related to the start up of new facilities are deferred until commercial operations commence. Such costs will be amortized to earnings on a straight-line basis over a maximum of 5 years.

Deferred financing charges are being amortized to earnings on a straight-line basis over the remaining terms of the related financing.

Lease incentives represent costs incurred by the Company in order to develop new franchise locations. Lease incentives are recorded at cost and are amortized on a straight-line basis over the term of the lease on the new franchise location.

The investment in Go Call Inc. is accounted for on the cost basis.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Future lease commitments

The Company accrues its future lease commitments on franchisees with stores that have been permanently closed and the Company continues to be responsible for the lease payments until the lease expires or is subleased.

Income taxes

The Company follows the liability method of tax allocation. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Convertible debentures

On the issuance of debentures convertible into common shares of the Company at the holders' option, the fair value of the holders' conversion option is reflected as "other paid-in capital". The Company's obligation to debenture holders for principal and interest payments is reflected as a liability carried at amortized cost.

Stock-based compensation plan

The Company has an incentive stock option plan as more fully described in note 10. No compensation expense is recognized for this plan when stock or stock options are issued. Any consideration paid on the exercise of stock options is credited to share capital.

Foreign currency exchange

Foreign currency assets and liabilities of domestic operations are translated into Canadian dollars at rates of exchange in effect at the end of the year while transactions during the year have been translated at the average of month-end rates. Any gains or losses during the year have been included in the consolidated statements of earnings.

The United States subsidiaries are considered integrated and accordingly, their accounts are translated to Canadian dollars using current rates of exchange for monetary assets and liabilities, historical rates of exchange for non-monetary assets and liabilities and average rates for the year for revenue and expenses, except amortization which is translated at the rates of exchange applicable to the related assets. Gains or losses resulting from these translation adjustments are included in earnings for the year.

Franchise revenue

Initial franchise fees and costs are recorded as revenue or expense at various stages as the Company satisfies its requirements under the franchise agreement. Continuing royalties and supplier administration fees are recorded as revenue when earned.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments

The carrying values of cash and cash equivalents, accounts receivable, loans receivable, trade accounts payable and accrued liabilities are considered to approximate their fair values.

The fair value of the loans receivable and certain long-term advances has not been determined as there is no active secondary market for these financial assets and liabilities. The uncertainty and broad range of outcomes pertaining to future cash flows renders the calculation of a fair value with appropriate reliability impractical.

The Company has no derivative financial instruments or any financial instruments that potentially subject the Company to concentrations of credit risk except as noted below. The Company is exposed to credit risk on the accounts receivable from its franchisees and suppliers. Management has adopted credit policies in an effort to minimize those risks.

The Company enters into interest rate swap agreements which involve payment of fixed rate amounts in exchange for the receipt of floating rate interest over the term of the agreement. The differential paid or received as a result of interest rate swap agreements is accrued as interest rates change and is recognized as an adjustment to interest expense related to the debt.

Earnings per share

Basic earnings per share are computed by dividing net earnings by the weighted average number of common shares outstanding, which was 9,975,628 [2000 - 7,785,749] during the year.

Diluted earnings per share reflect the assumed conversion of all dilutive securities using the treasury stock method.

2. ACQUISITION OF ROBIN'S FOODS INC.

Effective April 1, 2000, the Company purchased 100% of the outstanding common shares of Robin's Foods Inc. ["Robin's"], a company in the quick service industry, for a total cost of $19,841,431. The acquisition has been accounted for using the purchase method and the accompanying consolidated financial statements include the results of operations from the date of purchase. The purchase price was allocated in the accounts based on the estimated fair values of the assets acquired less liabilities assumed as follows:

	$
Net current assets	950,950
Capital assets	2,945,682
Other assets	389,388
Franchise agreements and trademarks	36,349,125
Bank indebtedness	(2,805,380)
Long-term liabilities	(2,079,334)
Future tax liabilities	(15,909,000)
Total purchase price	**19,841,431**

The purchase price was satisfied through the issuance of 426,035 common shares for $750,000 and cash consideration of $19,091,431.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

3. NOTES AND LOANS RECEIVABLE

Notes and loans receivable consist of the following:

	2001 $	2000 $
Loan receivable from Kidsport International Inc.	**796,400**	749,470
Loans from various franchisees, at interest rates varying from 0% to 12% per annum, unsecured and due on various dates	**313,826**	458,210
Notes receivable from various franchisees, non-interest bearing, unsecured and due within the next 12 months	**1,157,378**	1,123,605
Notes receivable from various suppliers, non-interest bearing, unsecured and due over the next 5 years	**2,030,000**	900,000
	4,297,604	3,231,285
Less current portion	**2,679,663**	2,398,199
	1,617,941	833,086

On December 21, 1994, the Company incorporated Kidsport Capital Corporation ["KCC"] to complete the purchase of Kidsport International Inc. ["KII"] pursuant to a letter of intent. On January 13, 1995, as its first step towards consummation of the acquisition, KCC advanced U.S. $500,000 [Cdn. $796,400] to KII, which is disclosed as loans receivable in the accompanying consolidated balance sheets. On May 12, 1995, KCC rescinded the agreements with KII and commenced litigation against KII and its shareholders directly to recover the advance as well as other costs and damages. The United States District Court for the Eastern District of Pennsylvania has ordered a Stay of Proceedings and granted the Motion to compel arbitration. The Company has appealed the original arbitrator's decision to the United States District Court for the Eastern District of Pennsylvania and expects a decision during 2002. A portion of the costs incurred [$225,131] is included in prepaid expenses and other assets in the accompanying consolidated balance sheets.

This amount represents management's best estimate of what the Company expects to receive due to the nature of the amount and the litigation involved; however, the ultimate amount collected could be materially different from the amounts recorded.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

Included in notes and loans receivable are U.S. $697,500 [Cdn. $1,157,378] of amounts owed to the Company under three Master franchise agreements for international franchises. During the year, the Company extended the repayment terms for the notes receivable to December 31, 2001 upon the receipt of non-refundable fees totalling U.S. $52,500 which were applied to the balances owing. Subsequent to the year-end, the Company extended the repayment dates to December 31, 2002 upon receipt of an additional U.S. $15,000. Although the amounts remain outstanding, the Company believes that it will receive payment in full. This amount represents management's best estimate of what the Company expects to receive and could be materially different from the amounts ultimately collected.

4. CAPITAL ASSETS

Capital assets consist of the following:

	2001 $	2000 $
Furniture, leasehold improvements and equipment	**2,823,199**	2,855,550
Signs	**1,082,763**	1,082,763
Buildings	**846,613**	846,613
Automobiles	**91,552**	91,552
	4,844,127	4,876,478
Less accumulated depreciation	**3,445,864**	3,048,775
	1,398,263	1,827,703

The depreciation charged against earnings for the year amounted to $452,779 [2000 - $408,970].

5. FRANCHISE RIGHTS AND TRADEMARKS

Franchise rights and trademarks consist of the following:

	2001 $	2000 $
Franchise rights and trademarks	**51,832,508**	54,289,135
Less accumulated amortization	**5,095,559**	3,838,232
	46,736,949	50,450,903

The amortization charged against earnings for the year amounted to $1,423,317 [2000 - $1,193,650].

Notes to Consolidated Financial Statements

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During the year, the Company wrote down the value of certain franchise rights and trademarks by $2,290,637 as they were determined to be impaired.

6. OTHER ASSETS

Other assets consist of the following:

	2001 $	2000 $
Investment in Go Call Inc.	**120,000**	120,000
Start-up costs	**2,208,707**	211,642
Lease incentives	**270,889**	270,889
Deferred financing costs	**2,269,207**	1,913,694
	4,868,803	2,516,225
Less accumulated amortization	**775,404**	446,418
	4,093,399	2,069,807

The amortization charged against earnings for the year amounted to $328,986 [2000 - $188,525].

At December 31, 2001, the Company owns 300,000 common shares of Go Call Inc., which represents an ownership interest of 1% [2000 - 1%]. At December 31, 2001, the market value of the Company's investment, based on the trading price of Go Call Inc.'s shares, is $124,000 [2000 - $152,888].

The Company has deferred certain costs, including start-up costs, net of related revenues, incurred with respect to its new call centre. The Company has not substantially completed the call centre as numerous franchisees still must connect.

Notes to Consolidated Financial Statements

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7. LONG-TERM DEBT

Long-term debt consists of the following:

	2001 $	2000 $
Advance from HSBC Capital (Canada) Inc. ["HSBC Capital"] and PRIVEQ II Limited Partnership ["PRIVEQ"] as an unsecured debenture, due January 3, 2003 and is repayable at any time at the Company's option. Interest on the debenture is 15% per annum.	**375,000**	—
Advance from McCarvill Corporation and its associates as an unsecured debenture, due January 3, 2003 and is repayable at any time at the Company's option. Interest on the debenture is 15% per annum.	**1,500,000**	—
Advance from Rabobank Canada as syndicated, repayable interest only until October 1, 2000, thereafter at various amounts quarterly with a final payment of $7,450,000 on April 1, 2005 with interest at prime plus 2%. Scheduled repayments may increase depending on available cash flow.	**18,550,000**	20,425,000
Advance from HSBC Capital, PRIVEQ and 4 individuals [one of whom is an officer and director and one of whom is a director] as a subordinated convertible debenture, which matures on March 20, 2005 and is repayable at any time at the Company's option. Interest on the debenture is 10% per annum. The debenture is convertible into common shares of the Company at the holders' option.	**4,732,000**	4,732,000
Other	**3,887**	12,786
	25,160,887	25,169,786
Less current portion	**3,203,887**	1,887,786
	21,957,000	23,282,000

Interest on the above debt amounted to $2,292,312 for 2001 [2000 - $2,152,467].

Substantially all of the Company's assets have been collateralized as security for the above loans.

7. LONG-TERM DEBT - continued

During 2000, $792,000 of an advance from a third party was forgiven.

The unsecured debenture issued to McCarvill Corporation for $1,500,000 is convertible at the option of the holder in the event that a reorganization of the Company is completed through an income trust, on the basis of one trust unit for every $0.80 principal amount of debentures held. The Company also issued an aggregate of 500,000 warrants on the basis of one warrant for every $3 principal amount of debentures. Each warrant will entitle the holder to purchase one trust unit of the Company at an exercise price of $0.91 per trust unit if the Company is reorganized into an income trust, provided such reorganization occurs prior to the earlier of one year following the repayment of the debenture and December 21, 2003. In the event that the Company is not reorganized into an income trust prior to December 21, 2003, the warrants will expire.

Also as part of the McCarvill Corporation financing, the Company has to provide HSBC Capital and PRIVEQ with the ability to: [i] convert their existing $4,800,000 principal amount of debentures into 4,000,000 common shares of the Company at a conversion price of $1.20 per common share; or should the Company be reorganized into an income trust [ii] convert $512,500 principal amount of their existing $4,800,000 principal amount of debentures into income trust units at a price of $0.91 per trust unit and the remaining $4,287,500 at $1.20 per trust unit; and [iii] convert the $375,000 unsecured debenture on the basis of one trust unit for every $0.80 principal amount of debentures held. The Company also issued an aggregate of 125,000 warrants on the basis of one warrant for every $3 principal amount of debentures. Each warrant will entitle the holder to purchase one trust unit of the Company at an exercise price of $0.91 per trust unit if the Company is reorganized into an income trust, provided such reorganization occurs prior to the earlier of one year following the repayment of the debentures and December 21, 2003.

In the event that the Company is not reorganized into an income trust prior to December 21, 2003, the warrants will expire.

HSBC Capital and PRIVEQ have surrendered for cancellation approximately 3,200,000 warrants previously issued to them in 2000 in connection with the issue of the $4,800,000 debentures.

The fair value of the long-term debt has been calculated on the contractual cash flows of the financial instruments discounted using market rates currently available to the Company. At December 31, 2001, the fair value of the long-term debt approximated the carrying value.

Interest rate swap agreements relating to principal of $11,000,000 [decreasing over time to $8,000,000] have been entered into by the Company, whereby fixed rates of interest are paid and floating rates are received to May 12, 2005. The floating rate received is at the 90-day bankers' acceptance rate whereas the underlying fixed rate under the swap agreement is 6.69%.

Long-term debt commitments are as follows:

	$
2002	3,203,887
2003	5,275,000
2004	3,600,000
2005	13,082,000

In addition, the Company has a $1,000,000 available operating line of credit which has not been utilized at December 31, 2001.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

8. DEFERRED ROYALTY FUNDING

To assist in financing an acquisition in a prior year, the Company entered into an agreement whereby it received $3,000,000, which is to be repaid as a royalty based on revenue over a 15-year period. The royalty payments, net of the amortization of the royalty funding credit, are included in interest expense in the accompanying consolidated statements of earnings and retained earnings. The total royalty payments for 2001 were $700,000 [2000 - $1,044,257], the amortization of the royalty funding for 2001 was $599,767 [2000 - $786,257] with the net amount of $100,233 [2000 - $258,000] being charged to interest and other expense. Amortization of the royalty funding credit is on a systematic basis over the term of the funding agreement. As at December 31, 2001, the deferred royalty balance was nil.

On October 1, 2000, the monthly royalty payment was changed to a flat rate of $100,000 until $3,900,000 has been repaid [previously, the royalty payments were calculated at 14.271% of gross revenue until total payments have amounted to $3,900,000]. During the year, the royalty payments reached $3,900,000 and the following royalty structure became effective for the next 12 years: 1.779% of gross revenue, excluding certain revenue in each year, until $444,750 has been paid at which time the royalty rate decreases to 1.25% until a further $187,500 has been paid and reduces to 1% of gross revenue thereafter. During the year, $157,815 plus accrued interest of $62,368 was included as interest expense.

If the Company is reorganized into an income trust prior to January 3, 2004, McCarvill Corporation will extinguish its remaining royalty entitlement in exchange for 2,252,747 income trust units at an effective conversion price of $0.91 per trust unit together with warrants to purchase up to 500,000 trust units at an exercise price of $0.91 per trust unit.

If the Company completes an acquisition having a purchase price in excess of $20,000,000, at the option of the Company, it may buy out McCarvill Corporation's remaining royalty interest for $2,050,000. Should such an acquisition be less than $20,000,000, the Company agrees to pay a flat monthly royalty of $52,500 for the remainder of the term of the royalty agreement, but will have the right to buy out the remaining royalty on the first anniversary of such acquisition for $2,050,000.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

9. PROVISION FOR (RECOVERY OF) INCOME TAXES

The following is a reconciliation of the expected tax obtained by applying the combined Canadian federal and provincial corporate tax rate to earnings (loss) before income taxes:

	2001 $	2000 $
Corporate tax rate	**42.12%**	43.95%
Expected tax expense (recovery)	**(114,300)**	1,533,700
Net future income tax benefit resulting from reduction in tax rates	**(4,439,446)**	—
Other	**1,473,995**	(188,500)
Provision for (recovery of) income taxes	**(3,079,751)**	1,345,200
Consisting of		
Current	**944,939**	459,000
Future	**(4,024,690)**	886,200
	(3,079,751)	1,345,200

Components of the future tax liabilities are summarized as follows:

	2001 $	2000 $
Future tax liabilities - long-term		
Tax depreciation in excess of book depreciation	**10,995,695**	14,838,066
Other reserves	**280,459**	462,778
	11,276,154	15,300,844

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

10. SHARE CAPITAL

Share capital consists of the following:

	#	$
Authorized		
Unlimited number of common shares		
Unlimited number of non-voting preference shares issuable in series		
Issued and fully paid		
Common shares		
Balance, December 31, 1999	7,381,910	6,361,632
Exercise of stock options	4,500	6,100
Issuance for adjustment regarding Donut Delite Café Inc.	89,815	—
Issued on the acquisition of Robin's	426,035	750,000
Balance, December 31, 2000	7,902,260	7,117,732
Exercise of stock options	165,000	165,000
Conversion of special warrants	2,471,862	2,600,000
Balance, December 31, 2001	**10,539,122**	9,882,732
Preferred shares		
Balance, December 31, 1999	223,333	223,333
Redemption during 2000	(167,500)	(167,500)
Balance, December 31, 2000	55,833	55,833
Redemption during 2001	(55,833)	(55,833)
Balance, December 31, 2001	—	—

Pursuant to the acquisition of Donut Delite Café Inc. in 1996, the Company, in accordance with the purchase agreement, was required in 2000 to issue to the vendor 89,815 common shares for no consideration.

The private placement financing for the Robin's acquisition resulted in the Company receiving gross proceeds of $7,800,000 consisting of $5,200,000 principal amount of Subordinated Debentures and $2,600,000 of Special Warrants. HSBC Capital and PRIVEQ subscribed for and purchased over 90% of the offering.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

10. SHARE CAPITAL - continued

Each Special Warrant entitled the holder to acquire 1 unit in the capital of the Company, for no additional consideration, consisting of 1 common share and one-third of 1 common share purchase warrant [a "Purchase Warrant"]. Each whole Purchase Warrant will entitle the holder to purchase 1 common share at a price of $1.60 and will be exercisable until March 20, 2003. The Special Warrants were exercised during the year and resulted in the issuance of 2,471,862 common shares for proceeds of $2,600,000. The purchase warrants, which would entitle the holder to an additional 823,954 common shares, were unexercised as at December 31, 2001.

Holders of the debentures also received common share purchase warrants entitling them to purchase common shares with a total value of $400,000 [2000 - $5,200,000] at a variable exercise price of between $1.50 per share and $3.00 per share based upon the Company's financial performance and expire March 20, 2005.

During the year, the Company completed a financing plan whereby $4,800,000 principal amount of debentures allocated to HSBC Capital and PRIVEQ would be convertible into 4,000,000 common shares of the Company at a conversion price of $1.20 per share [note 7].

During the year, the Company issued 120,000 special warrants to Canaccord Capital for services rendered in connection with investor relations and future financing opportunities. Each special warrant will entitle the holder to acquire 1 common share of the Company for no additional consideration.

Also, during the year, the Company implemented a share compensation arrangement for its directors. Under the plan, the directors elect annually to take 50% or 100% of their compensation in the form of common shares based on the trading price of the common shares at the end of each quarter. The shares earned by each director are then issued subsequent to year end. At December 31, 2001, the directors had earned $27,000 in value and were subsequently issued 31,726 common shares.

Preferred shares, Class C, Series A

The special Class C shares are non-voting and may be redeemed at $1.00, at the option of the Company, in 36 equal consecutive redemptions or converted into common shares of the Company on the basis of 1 common share for every 1 preferred share. During the year, the remaining 55,833 shares [2000 - 167,500] were redeemed for cash.

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

10. SHARE CAPITAL - continued

Stock-based compensation plan

Pursuant to the Company's stock option plan, the number of shares reserved under the plan shall not exceed 10% of the issued voting shares of the Company from time to time, and no one optionee may have, under option, more than 50% of the options outstanding at any one time. The option price is fixed at the time of granting and the options generally vest over a three-year period and are exercisable for a period of five years. At year-end, there were 1,000,000 [2000 - 632,500] options allocated to the plan, of which 492,500 [2000 - 632,500] were granted.

A summary of the plan and changes during each of 2001 and 2000 were as follows:

	2001		2000	
	Shares #	Weighted average exercise price $	Shares #	Weighted average exercise price $
Outstanding, beginning of year	**632,500**	**1.51**	427,500	1.36
Granted	**150,000**	**1.34**	209,500	1.80
Exercised/forfeited	**(290,000)**	**1.17**	(4,500)	1.36
Outstanding, end of year	**492,500**	**1.65**	632,500	1.51
Options exercisable at year-end	**381,000**	**1.62**	481,167	1.41

The following table summarized information about options outstanding at December 31, 2001:

	Options outstanding			Options exercisable	
Exercise price $	Number outstanding at December 31, 2001 #	Weighted average remaining contractual life [months] #	Weighted average exercise price $	Number exercisable at December 31, 2001 #	Weighted average exercise price $
1.00	217,500	1	1.00	217,500	1.00
1.16	100,000	54	1.16	100,000	1.16
1.40	10,000	15	1.40	10,000	1.40
1.60	25,000	54	1.60	—	1.60
1.80	357,500	32	1.80	271,000	1.80

December 31, 2001 and 2000

10. SHARE CAPITAL - continued

In addition, the Company has 40,000 stock options outstanding to McCarvill Corporation with an exercise price of $1.83 per common share which expire on March 31, 2003. The Company also has 168,429 stock options outstanding to Roche Securities with an exercise price of $1.10 and an expiry date of March 31, 2002.

During the year, the Company issued 100,000 purchase warrants to purchase common shares of the Company to Canaccord Capital with an exercise price of $2.00 that expire on December 25, 2002 for services rendered in connection with investor relations and future financing opportunities. The Company also issued 70,000 options to purchase common shares of the Company to the Barnes organization for services rendered in connection with investor relations, 35,000 of which are exercisable at $1.25 and expire on October 31, 2003 and the remaining 35,000 are exercisable at $1.75 and expire on March 31, 2003.

Earnings per share

The reconciliation of the numerator and denominator for the calculation of basic and diluted earnings per share is as follows:

	2001 $	2000 $
Net earnings for the year	**2,808,418**	2,144,515

	2001 #	2000 #
Basic earnings per share		
Weighted average shares outstanding	**9,975,628**	7,785,749
Basic earnings per share	**$0.28**	$0.28
Diluted earnings per share		
Weighted average number of common shares outstanding	**9,975,628**	7,785,749
Dilutive effect of stock options and warrants	**151,726**	2,590,491
Diluted weighted average shares outstanding	**10,127,354**	10,376,240
Diluted earnings per share	**$0.28**	$0.21

Options and warrants to acquire 1,694,833 and 1,256,454 common shares for the years ended December 31, 2001 and 2000, respectively, were not included in the computation of diluted earnings per share because their respective exercise prices were greater than the average market price of the common shares.

December 31, 2001 and 2000

11. COMMITMENTS AND CONTINGENCIES

[a] In the ordinary course of business activities, the Company may be contingently liable for litigation and claims with third parties. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not possible to estimate the potential costs and losses, if any, management believes that the ultimate resolution of such contingencies will not have a material adverse effect on the financial position or results of operations of the Company.

[b] The Company or its subsidiaries have entered into the following operating leases:

	$
2002	1,058,175
2003	957,402
2004	728,490
2005	610,581
2006	217,778

The Company's subsidiaries have entered into numerous head lease arrangements. The subsidiaries' commitments under head lease agreements are as follows:

	$
2002	6,298,366
2003	5,332,142
2004	4,486,931
2005	3,337,335
2006	2,308,591
Thereafter	6,183,009
	27,946,374
Less amounts to be paid by sub-leasees	22,635,933
	5,310,441

Notes to Consolidated Financial Statements

December 31, 2001 and 2000

12. SEGMENTED INFORMATION

The Company is organized and managed as a single business segment being the operation of quick service restaurants and the Company is viewed as a single operating segment by the chief operating decision maker for the purposes of resource allocations and assessing performance.

Domestic and foreign operations consist of the following:

Revenue

	2001 $	2000 $
Canada	**30,755,550**	29,323,035
United States	**114,535**	131,590
	30,870,085	29,454,625

Capital assets, franchise rights and trademarks and other assets

	2001 $	2000 $
Canada	**51,610,153**	53,635,014
United States	**618,458**	713,399
	52,228,611	54,348,413

Revenue is attributed to countries based on the location of the customer and assets are based on the country in which they are located.

December 31, 2001 and 2000

13. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

The net change in non-cash working capital balances related to operations consists of the following:

	2001 $	2000 $
Accounts receivable	**(775,863)**	(171,917)
Inventory	**27,077**	250,646
Income taxes recoverable	**65,702**	—
Deferred franchise costs	**9,245**	(388,206)
Prepaid expenses and other assets	**(44,702)**	292,041
Trade accounts payable and accrued liabilities	**1,201,140**	(237,633)
Income taxes payable	**511,437**	(148,579)
Unearned revenue	**(148,972)**	299,720
	845,064	(103,928)

14. OTHER RESTRUCTURING COSTS

Included in other restructuring costs are costs associated with the closure of the former call centre in Toronto and the Thunder Bay office.

15. SUBSEQUENT EVENT

Subsequent to year end, the Company and Pizza Delight Corporation ["Pizza Delight"] announced that they have entered into an agreement to merge pursuant to which Pizza Delight shareholders will be issued approximately 28,500,000 shares of the merged company. The merger will result in the current shareholders of Pizza Delight becoming the controlling shareholders of the Company holding approximately 63% of the fully diluted shares and 72% of the basic, issued and outstanding shares at the date of closing.

The Board of Directors of the Company have unanimously endorsed the proposed merger with Pizza Delight. The Company's shareholders, including members of management, certain directors and others holding a minimum of 25% of the current issued and outstanding shares, have signed agreements to support the proposed merger transaction.

The Company and Pizza Delight have entered into a no-shop, non-solicitation agreement pursuant to which a break up fee is payable by either party in the event that either party concludes a business combination with another party or terminates this transaction.

16. COMPARATIVE AMOUNTS

Certain of the comparative amounts have been restated to conform to the presentation adopted in the current year.

Corporate Information

Board of Directors

ROBERT MACDONALD
RICHARD HUNTER [2,3]
HANS KOEHLE [1,2]
IAN BARRETT [1,2]
ROBERT COFFEY [1,3]
A. GORDON CRAIG [3]
G. EDMUND KING [3]
MICHAEL BOYD [2]
BRADLEY ASHLEY [1]

1 Member of Audit Committee
2 Member of Human Resource Committee
3 Member of Corporate Governance Committee

Officers and Senior Management

ROBERT MACDONALD
President and Chief Executive Officer

JILL VAUDRY
Executive Vice President and
Chief Operating Officer

PATRICK WESTFALL, C.A.
Chief Financial Officer

JOHN GILLESPIE
Vice President, Franchising &
Real Estate Development

PAUL STEIN, LL.B.
Secretary

Legal Counsel

FELTMATE/DELIBATO/HEAGLE
Barristers and Solicitors
Burlington, Ontario, Canada

CASSELS BROCK & BLACKWELL
Barristers and Solicitors
Toronto, Ontario, Canada

Auditors

ERNST & YOUNG
Mississauga, Ontario, Canada

Corporate Bank

RABOBANK CANADA
Toronto, Ontario, Canada

Stock Exchange

TORONTO STOCK EXCHANGE
STOCK SYMBOL "AFF"

Afton Food Group
A Public Company, Toronto Stock Exchange Symbol AFF

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